

No. 9871

IN THE

United States Circuit Court of Appeals

For the Ninth Circuit

SIMPLEX WRAPPING MACHINE Co.

(a corporation),

vs.

Appellant,

CHARLES F. SCHULTZ, IRA E. SCHULTZ,
SCHULTZ FOOD COMPANY (a partner-
ship), and GEORGE KOSTER, doing
business under the fictitious name
and style of Koster Candy Company,

Appellees.

Upon Appeal from the District Court of the United States for the
Northern District of California, Southern Division.

APPELLANT'S PETITION FOR A REHEARING,

and

APPELLANT'S PETITION FOR LEAVE TO PRESENT TO THE
TRIAL COURT A PETITION FOR A REHEARING.

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PAUL P. O'BRIEN,

CLERK

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APPELLANT'S PETITION FOR A REHEARING.

*To the Honorable Curtis D. Wilbur, Presiding Judge,
and to the Associate Judges of the United States
Circuit Court of Appeals for the Ninth Circuit:*

The Appellant, Simplex Wrapping Machine Co.,
feeling itself aggrieved by the opinion filed in this
Court on May 8, 1942, comes now and respectfully

petitions for rehearing limited to the question of validity and infringement of Claim 3 of United States Letters Patent No. 2,094,594.

CLAIM 3.

Claim 3 of the patent in suit is as follows:

In a machine for making paper bags from sheet material like cellophane,

1. a frame, forming a working table,
 2. a plate-like mandrel movably mounted with respect to the table whereby a sheet of said material may be placed between said mandrel and the upper surface of the table,
 3. means for folding projecting side margins of the sheet over the side edges of the mandrel,
 4. means for folding a projecting end margin of the sheet over one edge of the mandrel,
 5. and retractable fold line retaining means adapted to be interposed within the last mentioned fold.
-

THE DECISION OF THE CIRCUIT COURT OF APPEALS.

The decision of the Circuit Court of Appeals analyzed the invention of the patent in suit and particularly Claim 3 as follows:

“The patent in issue relates to a machine for making bags from ‘cellophane’. The machine has two parts: (a) the folding mechanism; and (b) the sealing mechanism. The folding mechanism

consists of (1) a table; (2) a plate-like mandrel which is hinged at the back and may be lowered in order to hold a sheet of cellophane against the table; (3) means for folding the sides of the cellophane which extended beyond the edges of the mandrel, consisting of a flat strip on each side of the mandrel which move over the top of the mandrel, thus causing the edges of the opposite sides of the sheet to overlap at the center of the mandrel; (4) a narrow strip of flat metal at each side of the mandrel each of which strips moves towards the other and on top of the cellophane folded over the mandrel, thus holding the cellophane near the end of the mandrel so that the ends of the folded cellophane may be folded towards the other end, thus closing the bottom; and (5) means for folding the end margin mentioned, which consists of a flat strip of metal under the bottom piece of cellophane, which moves upward and forward, then downward thus folding the ends * * *

“Of the claims in issue, only Claim 3 includes the fourth element described above * * *.”

The Court first disposed of Claim 8 as invalid by holding that it included nothing which was not disclosed by Hotchkiss and added:

“Claim 3, in issue here, is the same as Claim 8, except that it includes the fourth element mentioned above, which consists of metal strips over which the end of the cellophane is folded.”

The Court then determined that Claim 3 is invalid for the reason that the fourth element mentioned above (hereafter referred to as “fold line retaining

means’’), is, first, not indispensable and, secondly that it is found in the prior art.

Appellant respectfully submits that the two reasons for holding Claim 3 invalid are erroneous, and that the Court should grant a rehearing because its reasons are founded upon mistake of law and mistake of fact.

FOLD LINE RETAINING MEANS ARE INDISPENSABLE.

The statement of the Court with respect to this particular portion of the case was as follows:

“* * * Whatever may be said as to the result obtained with the use of the strips, it is clear that their use is not indispensable, because Appellant claims them in only one of six claims.”

It is a fundamental principle of patent law that each claim need not set forth every element of a device.

Walker on Patents, Deller’s Edition, Page 1232:

“A claim may cover the entire process, machine manufacture, or composition of matter, which is set forth in the description, *or it may cover such parts, or such sub-processes, or such combinations*, as a new and useful invention; and the specification may contain a claim for the whole, and other *claims for separate parts*, and still other claims for separate sub-processes or combinations. Railroad Co. v. DuBois, 79 U. S. 47, 20 L. ED. 265; National Machine Co. v. Thom, 25 Fed. 496; Roberts v. Mail Co., 53 Fed. 916; Holloway v. Dow, 54 Fed. 511.” (Emphasis added.)

As stated by Walker on Patents on Page 1275:

“In contemplation of law, each claim of a patent is considered as setting forth a complete and independent invention.”

It is clearly the contemplation of the law that one may claim sub-combinations of elements and that each claim need not set forth every element of the machine.

The law clearly contemplates that if a man invents a machine having five parts, he can claim less than all five elements if that claim defines novelty over the prior art. In the present instance, the claims, other than Claim 3, were allowed because they defined invention and not because the fold line retaining means was unnecessary. Since each claim is a separate and independent invention and may be drawn to sub-combinations, it is respectfully submitted that no conclusion of indispensability should be drawn from Appellant's failure to restrict all of the claims of his patent to a fold line retaining means, especially when this conclusion is diametrically opposed to all of the evidence.

The testimony of the Plaintiff's witness, Kercher (Tr. pp. 242-243), and the following testimony of the Defendant, Charles F. Schultz (Tr. p. 298), show the device to be absolutely essential.

“Q. Mr. Schultz, this bar, if I take that out of the machine would the machine work?

A. No; not satisfactorily. It will after a fashion.

Q. After what fashion?

A. It will make bags.

Q. What kind of bags?

A. That might be arranged.

Q. Did you ever try to work the machine that way?

A. Yes; accidentally.

Q. How did it work?

A. It had made bags, they are not as satisfactory; they are not folded as neatly.

Q. Will you run your machine and try to make the bags that way?

The Court. Well I think his admission is sufficient for all purposes.

Mr. Flehr. All right, Your Honor."

Furthermore the Defendants took no testimony or offered no evidence whatsoever tending to belittle or depreciate the importance of the combination defined by Claim 3 including particularly the Defendants' admission that the concept of a fold line retaining means in a bag making machine is broadly new in the art and that it contributes to utility.

Even if some prima facie stigma of indispensability attached to the fold line retaining means by virtue of its being claimed in but one claim, certainly such prima facie stigma would be overcome by the uncontradicted testimony and evidence shown above.

Moreover, Appellant knows of no doctrine in the law requiring an element of a combination to be indispensable to constitute invention. It is admitted that in order to be patentable, a structure must be useful, or possess utility (and clearly utility is shown in the instant case by the testimony of the Defendant

Schultz quoted previously), but utility and indispensability are not the same in patent law.

FOLD LINE RETAINING MEANS IN PRIOR ART.

In the Court's opinion, the Hotchkiss patent is relied upon by the Court as showing the use of a fold line retaining means to be old. The Court states as follows:

“The device of Hotchkiss disclosed means for folding the end portions to make a bag with a square or rectangular end. Two sides of the end are folded inward, then another side is folded inward and on top of the preceding folds, and the folder holds the third fold until the last side is made on top of all preceding folds. The folder which makes and holds the third fold is described in the Hotchkiss specification as ‘a thin plate of metal adapted to remain and hold the paper folded down by it until the lower part * * * is folded up over it, and then withdrawn just in advance of the lower part as it is pressed upon the upper part from below.

Appellee contends that such folder is exactly like Gaubert's fourth element. Appellant contends that the folder of Hotchkiss was not intended to support the last fold, but intended merely to hold the third fold so that the last one would be on top thereof.

It is not at all clear from the specification of Hotchkiss whether Appellant's contention is true or untrue. It is clear that if the contention is true, the folder would serve the purpose of

Gaubert's fourth element. As previously stated a change in size would not constitute invention. Instead of having the folding lip as a part of the folder, however, Gaubert has separated the two parts. The Hotchkiss element combines the two into one part. The mere separation of one part into two does not constitute invention. *Smith Cannery Machines Co. v. Seattle Astoria I. W.*, 9th Circuit, 261 Fed. 85, 89. Likewise, 'position, rearrangement, and transportation of parts do not alone spell invention'. *General Machinery Corp. v. Clearing Machine Corp.*, 9th Circuit, 104 Fed. (2d) 553, 556. For these reasons we think Claim 3 is invalid."

Apparently from its decision, the Court found that the part m' (Fig. 2 of Hotchkiss Tr. p. 440) constituted a folding means and also a fold line retaining means. Overlooking the operation of the other parts of the machine for the moment, it should be noted that folding means m' (Tr. p. 440, Fig. 2) swings about n' which brings the folding member m' flush against the surface t' . At the time m' is placed in operation, the shape of the bag is that shown in Fig. 12 (Tr. p. 448) and Fig. C of Plate I.* (See also upper one-third of column 2 on p. 450 of transcript.) Fig. 12 and Fig. C show that the side folds have been made and their edges sealed.

Reverting back to Fig. 2 (Tr. p. 440) the Court should note that the folding member m' is not as long as the end of the mandrel at t' . This is important.

*(NOTE): Plate 1 is a scale illustration of folding steps described in Hotchkiss.

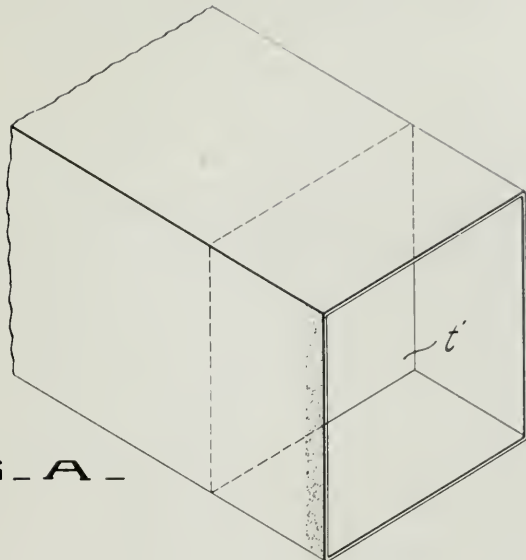


FIG. A.

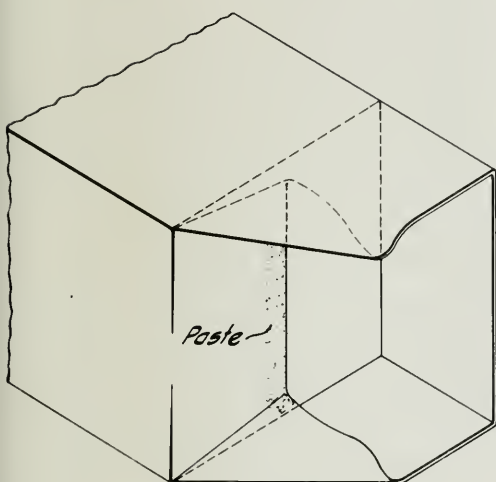


FIG. B.

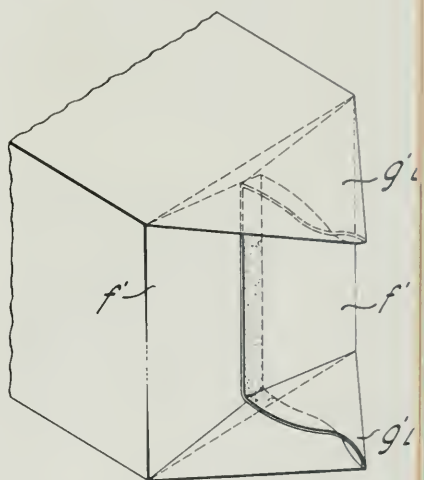


FIG. C.

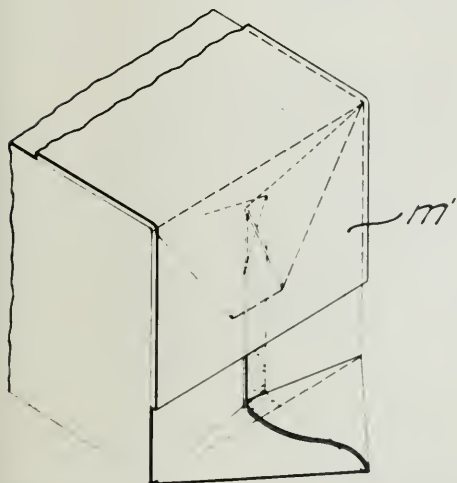


FIG. D. PLATE 1

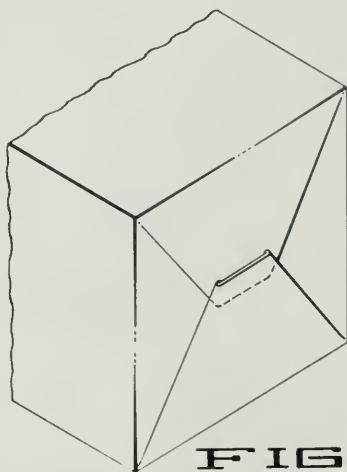


FIG. E.

In order for m' to constitute a fold line retaining means it would have to be long enough to present an edge about which the lower flap g' could be folded. Measurement reveals that m' is only about two-thirds as long as t' and would cover approximately only the upper two-thirds of end t' . This is certainly insufficient to present a fold line retaining means, as, to be operable, a fold line retaining means must present an edge along the line where the fold will take place and, it is obvious, that the fold for the lower flap g' must take place at the lower edge of the forming mandrel and not along a line one-third of the way up from that edge. (See Fig. D, Plate I.)

It is further submitted that Hotchkiss absolutely fails to disclose or suggest that m' is to present an edge about which lower g' may be folded. It is an old and well established principle of patent law that in order to constitute effective prior art, the patent must clearly show the particular element which is claimed it does show.

Walker on Patents, Deller's Edition, Page 270, states:

"Novelty is not negatived by any prior patent or printed publication, unless the information contained therein is full enough and precise enough to enable any person skilled in the art to which it relates, to perform the process or make the thing covered by the patent sought to be anticipated. (*Wisconsin Alumni R. Foundation v. George A. Breon & Co.*, 85 F. (2d) 166, C. C. A. 8 (1936).)"

The Court in one breath states that it is not at all clear whether or not the folder m' of Hotchkiss constitutes a fold line retaining means. Immediately thereafter, however, the Court states:

“The Hotchkiss element combines the two into one part.” (Referring to folding mechanism and fold line retaining means.)

While it is true that the Hotchkiss specification and drawings leave much to be desired, it is thought that a brief summary of the operation of the end folding mechanisms might be helpful, insofar as it can be gathered from a study of the Hotchkiss disclosure. None of the Hotchkiss drawings present a view of the device at the time the end folding means are in operation. However, Fig. 2, Page 440, is probably the best. Let us suppose that the mandrel j is in the recess P' and the paper is folded about the mandrel to form a long tube with the ends projecting from the end of the mandrel. As stated in the specification (column 1, Tr. p. 450), the two vertical sides of the tube of paper are folded inward by the sliding folders a' .

Nothing further is said about the retraction of parts a' . However, since the next act is the operation of folding member m' downwardly to fold upper projection g' (Fig. 12, Tr. p. 448; col. 2, p. 450) it is clear that folding members a' must have been withdrawn for the reason that (as shown in Figs. 1, 2 and 4) they are very thick and m' could not fold g' over t' if a' were beneath g' . Therefore a' must be withdrawn before m'

is operated. It is further made clear that the members a' must be withdrawn before the last folds are made for the reason that lower g' is folded upwardly by members r' and q' . As shown in Fig. 2 these operate in the same vertical plane as a' . It is obvious from a study of Fig. 5 (Tr. p. 444) that if the members a' are moved towards each other, and left in that position, r' and q' can not be operated, as they would come in contact with the members a' . Therefore it is clear that the members a' must be withdrawn before upper and lower flaps g' (Fig. 12) are folded. Furthermore, no fold line retaining means is required, because since the overlapping portions f' (See Fig. C) are glued together as shown in Fig. C. Plate I, flaps g' can be easily folded.

From the above summary it is obvious that the parts a' can not be considered fold line retaining means. At most they can merely be considered as folding means. Since by their thickness they would not allow the operation of m' and r' if they remained over the end of the mandrel, they must be withdrawn before the portions g' are interfolded. As has been previously shown the part m' is merely a folding means and is not a fold line retaining means. In the first place it is not big enough for that purpose, secondly there is no suggestion in the specification or claims that it is to be used for that purpose, and thirdly since upper g' and lower g' are identical and since upper g' is folded without a fold line retaining means, there is no reason to suppose lower g' requires such means.

It is therefore respectfully submitted that this Court erred in determining that Hotchkiss disclosed a fold line retaining means and that the Court should have accepted the unrefuted statement of the defendant Schultz that there was no fold line retaining means in the prior art. (Tr. p. 298.)

As previously pointed out, Claim 3 of the Letters Patents in suit is directed towards a combination of mechanical elements which successfully fold projecting portions of a piece of cellophane over a flat mandrel, in combination with two retractible elements known as fold line retaining means.

It is clear that there is no showing of a fold line retaining means in the prior art. In the first place, the Examiner in the United States Patent Office who allowed the instant patent had the Hotchkiss patent before him and cited it as a reference, but allowed Claim 3 over that patent. Second, the Defendant Schultz who acted as the expert in his own behalf testified that there was no such thing as a fold line retaining means in the prior art. Thirdly, the Hotchkiss patent relied upon by the Circuit Court of Appeals, clearly does not show a fold line retaining means. Fourthly, the Defendant Schultz himself admits that the fold line retaining means is essential to the successful operation of a bag making machine such as Defendant's Exhibit A.

A United States Letters Patent is presumed to be valid by virtue of its issuance from the United States Patent Office. This presumption of validity is further strengthened when a Defendant cites against the

patent only the art cited by the United States Patent Office at the time the patent was prosecuted.

Chesapeake and Ohio Railway v. Kaltenbach,
CCA 4, 1938, 95 Fed. (2d) 801:

“A patent is *prima facie* valid (Parks v. Booth, 102 U. S. 96, 26 L. Ed. 54; Lehntbeuter v. Holt-haus, 105 U. S. 94, 26 L. Ed. 939), and the presumption of validity is strengthened where, as here, the principal references urged against the patent have been considered by the Patent Office. As we said in *Gold Smokeless Coal Co. v. Sutton*, Steele and Steele, 1st Circuit, 35 Fed. (2d) 433, 437: ‘Prior patent relied upon as anticipations were carefully considered (by the Patent Office), and numerous changes were made in the claims before the patents were finally issued. It is well settled that in such case the presumption of patentability arising from the issuance of the patent is greatly strengthened.’”

Once validity is found the matter of commercial success may be considered in order to evaluate the patent. In this particular instance and as pointed out previously in Appellant’s Opening Brief on Pages 38 to 40 thereof, Gaubert’s patent has enjoyed considerable success.

INFRINGEMENT OF CLAIM 3.

The Appellant’s analysis of the claims in suit, particularly Claim 3 (Tr. pp. 349 and 350) taken in conjunction with Plaintiff’s Ex. 11, Tr. p. 348, clearly shows infringement.

CONCLUSION.

The opinion of the Court:

“For these reasons we think Claim 3 is invalid.”

is, in our opinion, in conflict with the law and the facts in this case for the reason that the Court erred in failing to acknowledge that a sub-combination claim would be valid, in spite of the fact that it mentioned a particular element which no other claim in suit mentioned, and secondly by misconstruing as a matter of fact the operation of a prior art device.

We are convinced when this Court determines that Claim 3 is valid, it will likewise determine that Claim 3 is infringed. It is therefore prayed that a rehearing be had, so that the question of the validity and infringement may be more fully presented to this Court, for the benefit of the aggrieved party hereto and further that this Court not deny justice by erroneously deciding questions of fact.

Dated, San Francisco,
June 8, 1942.

Respectfully submitted,
PAUL D. FLEHR,

*Attorney for Appellant
and Petitioner.*

JOHN F. SWAIN,
Of Counsel.

CERTIFICATE OF COUNSEL.

I hereby certify that I am of counsel for appellant and petitioner in the above entitled cause and that in my judgment the foregoing petition for a rehearing is well founded in point of law as well as in fact and that said petition for a rehearing is not interposed for delay.

Dated, San Francisco,
June 8, 1942.

PAUL D. FLEHR,
*Of Counsel for Appellant
and Petitioner.*

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APPELLANT'S PETITION FOR LEAVE TO PRESENT TO THE
TRIAL COURT A PETITION FOR A REHEARING.

*To the Honorable Curtis D. Wilbur, Presiding Judge,
and to the Associate Judges of the United States
Circuit Court of Appeals for the Ninth Circuit:*

The Appellant, SIMPLEX WRAPPING MACHINE CO., feeling itself aggrieved by the opinion filed in this Court on May 8, 1942, comes now and respectfully petitions for Leave to Present to the Trial

Court a Petition for a Rehearing limited to the construction and operation of the machine described and claimed in United States Letters Patent No. 135,275 to Hotchkiss and to the taking of testimony and production of evidence concerning the disclosure contained in the specification, drawings, and claims of said Hotchkiss patent, in order that it may be shown that said Hotchkiss patent does not anticipate Claim 3 of the patent in suit, United States Letters Patent No. 2,094,594.

GROUND S FOR THE PETITION.

This Petition is based upon the decision of the Circuit Court of Appeals that:

“The device of Hotchkiss disclosed means for folding the end portions to make a bag with a square or rectangular end. Two sides of the end are folded inward, then another side is folded inward and on top of the preceding folds, and the folder holds the third fold until the last side is made on top of all preceding folds. The folder which makes and holds the third fold is described in the Hotchkiss specification as ‘a thin plate of metal adapted to remain and hold the paper folded down by it until the lower part * * * is folded up over it, and then withdrawn just in advance of the said lower part as it is pressed on the upper part from below * * *.’” Appellee contends that such folder is exactly like Gaubert’s fourth element. Appellant contends that the folder of Hotchkiss was not intended to be a support for the last fold, but was intended merely to hold the third fold so that the last one would be on top thereof.

“It is not at all clear from the specification of Hotchkiss whether appellant’s contention is true or untrue. It is clear that if the contention is true, the folder would serve the purpose of Gaubert’s fourth element. As previously stated, a change in size would not be invention. Instead of having the folding lip as a part of the folder, however, Gaubert has separated the two parts. The Hotchkiss element combines the two into one part. The mere separation of one part into two does not constitute invention. *Smith Cannery Machines Co. v. Seattle-Astoria I. W.*, 9 Cir., 261 F. 85, 89. Likewise, ‘Position, rearrangement and transposition of parts do not alone spell invention’. *General Machinery Corp. v. Clearing Mach. Corp.*, 9 Cir., 104 F. (2d) 553, 556. For these reasons we think Claim 3 is invalid.”

The above holding of the Circuit Court of Appeals is directly contrary to all of the testimony in the case. The Plaintiff’s expert, Mr. Kercher, stated that he had studied the prior art and that in his opinion, none of the prior art relied upon by the Defendant anticipated the claims of the patent in suit. (Tr. pp. 243-4.) The Defendant’s expert, who, by the way, was one of the Defendants, testified unequivocally as follows (Tr. p. 298):

“Q. Now, do you find anything in the prior art which shows a fold line retaining means in conjunction with a mandrel in a machine for making bags?

A. At the moment I don’t recall any.

Q. You don’t know of a thing, do you?

A. I don’t recall anything in the prior art.”

At no time during the pendency of this action before the Lower Court, did Defendants or their counsel testify or suggest that the patent to Hotchkiss, No. 135,275 showed the fold line retaining means. In spite of the Defendant's total failure of proof and their total failure to take testimony on this point, Defendant's counsel at the time he filed "Brief for Appellee" before this Court, attempted to find a fold line retaining means in Hotchkiss.

Counsel's statements had no foundation in the record and were contrary to all of the testimony in this case. The Plaintiff had no opportunity to refute this unsupported statement of counsel, and therefore respectfully petitions this Court for Leave to Present to the Trial Court a Petition for a Rehearing in order that the Plaintiff may present testimony with respect to the construction and operation of the machine shown in Hotchkiss' patent.

As this Court stated:

"It is not at all clear from the specification of Hotchkiss whether appellant's contention is true or untrue."

Since the Court itself admits the frailties and weaknesses of the Hotchkiss specification, and since the finding by this Court is diametrically opposed to all of the testimony in the case other than the unsupported statement of Appellee's counsel, it is respectfully requested that this Court should grant Plaintiff the right to rebut said unsupported statements of Appellee's counsel by the testimony of expert witnesses.

WHAT THE APPELLANT WILL PROVE.

The Appellant will prove that there is no fold line retaining means in Hotchkiss and submits herewith the affidavit of Mr. Arthur J. Kercher. Mr. Kercher appeared and testified as the expert witness in behalf of the Plaintiff in the Trial Court.

“State of California,
City and County of San Francisco.—ss.

My name is Arthur J. Kercher, and I am a resident of Berkeley, California.

At present, I am Vice President of the Wesix Electric Heater Company, a manufacturer of Electric Air and Water Heaters, located in the city of San Francisco.

I have had considerable experience as a practical engineer, in the construction and operation of all sorts of machinery.

I was graduated from high school at St. Cloud, Minnesota, and after that I spent some time at the University of Minnesota. Later I gained a good deal of experience in the construction business and I built five or six electric plants for the Northern Pacific Railway, through Minnesota and Montana.

For a number of years I was connected with the electrical industry and the development of bank protection apparatus, burglar alarms, burglary protection for buildings and retail establishments. I came to California in 1904 and constructed electric plants in the northern part of this state.

The first machine which I designed was a machine to fold letters, fold envelopes about them, seal them, put stamps on them, count them, and tie them up in packages for shipment from the

Stock Exchange in Chicago. That was in approximately 1894 or 1895.

I have developed more than one hundred inventions, the first invention of mine being for a brush holder on an electric generator for which I applied for a patent in 1898.

Subsequently I became interested in the electric heating business by reason of the fact that I had considerable electric power at my disposal. Up until the time of the first World War I was actively engaged in designing and producing automatic electric cooking apparatus. During the first World War, I was superintendent of a plant which produced nitro-glycerin for the allies, and in that connection I was conversant with wrapping machines which were used to wrap bars of soap and different similar products. After that I continued my business of electric heating and I now occupy the position first mentioned.

My present work includes the construction and testing of many machines. Much of this work I do in my own laboratory in Berkeley, California. By that, I mean that I actually operate my equipment to construct these various devices which I construct and test. Another part of my work is that of Director of Research, and I have to be familiar with the patent applications being prosecuted by my company and with the patents obtained by our competitors. During the past twenty years I have examined hundreds of patent files.

Pursuant to the request of Mr. Paul D. Flehr, I have examined United States Letters Patent No. 13,575, issued to T. Hotchkiss, on January 28, 1873. I have familiarized myself with the con-

struction and mode of operation of the device shown therein.

For the sake of brevity, I shall not describe or discuss all of the elements of this machine, but shall restrict myself to a discussion of the mandrel; and the mechanism for folding and sealing the bags.

The paper from which the bag is to be formed is laid on plates N and O, Figure 3 (Tr. p. 442), and movable mandrel j is then brought down from the position shown in Figure 2 until it occupies the well-like recess P'. This naturally folds the paper about three sides of the mandrel j. Paste is applied to one edge of the paper and plates N and O advance over the top of mandrel j and form a cylinder of paper about mandrel j.

The two vertical sides of the extension of the folded sheet, beyond the ends of the mandrel, are next folded inward by the sliding folders a', one moving in advance of the other in the order that one margin will be beneath the other. As shown in all of the drawings of the Hotchkiss patent, the members a' are of considerable thickness.

When the two parts of the bottom have been folded and pasted together, the folders a' remain for a short time to hold them in place while a quantity of paste is delivered upon the bottom edge for securing the two horizontal sides of the extension of the folded sheet. For this purpose the folders a' do not come together, but leave a narrow space between their ends, in order that the pasting roller may go between them.

It is my opinion that the folders a' being of thick material, must be removed before top folder

m' folds top member g' downwardly. I have carefully examined the drawings of the Hotchkiss patent and am of the opinion that the member m' could not fold the upper flap g' downwardly if the members a' were left within the fold.

It is my further opinion that there is no necessity that the parts a' remain within the fold for the reason that as they advance, they must fold the underside of flap g'. When the two horizontal extensions of the paper which are folded by the folding members a' are glued together, they would necessarily form a folded or creased portion adjacent the extension g'. No further means would be required to form a fold about which the extensions g' might be folded. (See Fig. 12 of Hotchkiss, Tr. p. 448.)

The contention that member m' which folds down the upper flap g' forms a fold line retaining means about which lower flap g' may be folded is without merit. This is for the reason that as shown in all of the drawings in the patent, the part m' is not made long enough to constitute a member about which lower g' must fold. At best, it is approximately only two-thirds as long as would be required. It would cover only the upper two-thirds of the mandrel t'. To be a fold line retaining means m' would of necessity have to approach the lower edge of mandrel j about which the fold will be made instead of a position two-thirds of the way up end t and fully one-third of the width of the bag away from the point where the fold line must be made.

It is my opinion that the patent to Hotchkiss shows no fold line retaining means. There is no indication in the specification, claim, or drawings

that any of the folding means are to be so used. That part m' cannot be so used is clear. That parts a' cannot be so used is equally clear when one studies the construction of the machine and observes the thickness of members a'. By the time members a' have folded over the vertical extensions of the paper bag and glued them together flaps g' have been so folded that there is no need of a fold line retaining means because as shown in Figure 12 (Tr. p. 448) the inner portions of flaps g' are already folded sufficiently that flaps g' may be folded about the fold or crease already made. Since no fold line retaining means is necessary for successful operation of Hotchkiss and since he does not suggest the use of a fold line retaining means, it is my opinion that there is no teaching of fold line retaining means in the patent to Hotchkiss No. 135,275.

Arthur J. Kercher.

Subscribed and sworn to before me this 4th day of June, 1942.

(Seal)

W. W. Healey,

Notary Public."

From the analysis of the Hotchkiss patent by Mr. Kercher and the analysis by Petitioners' counsel as set forth in the preceding Petition for Rehearing, it is believed clear that there is no fold line retaining means in the patent to Hotchkiss.

Since this Honorable Court based its opinion upon the finding of a fold line retaining means in the Hotchkiss patent, it is respectfully submitted that the Plaintiff Petitioner should be granted an opportunity to present testimony on this matter.

PETITIONER NOT TO BE BARRED.

The burden of showing invalidity was upon the Defendants. They offered no proof that the fold line retaining means was old; in fact they admitted to the contrary. Appellants were in no position to introduce this motion or this testimony previously as there was at no time prior to Appellees' Brief any hint that Hotchkiss would be so interpreted. Neither Defendants' expert (Tr. p. 298), Plaintiff's expert (Tr. p. 243-4) nor the Patent Office Examiner (Tr. pp. 365 to 433) had ever previously so interpreted this patent. This was indeed a newly discovered interpretation of Hotchkiss.

A similar petition was granted by the Circuit Court of Appeals for the Second Circuit in the case of *Hazeltine Corporation v. Wildermuth*, reported in 35 Fed. (2d) 733. In that case the Defendant Appellant moved for leave to reopen the proof after decree for Plaintiff was affirmed by the Circuit Court of Appeals, and Petitioner's Petition for Reargument had been denied, but before the Mandate had issued to the District Court. In that case the Defendant asked that the Plaintiff be ordered to show cause:

"Why this cause should not be remitted to the District Court, directing it to reopen the proofs to take and consider evidence relating to the United States Signal Corps. amplifier, BC 59-A, and to transmit same with report thereon to this Court, and why defendant appellant should not be granted general equitable relief."

The Appellant sought to offer a physical exhibit which had been described in the evidence at the trial

by a drawing. The Court expressed no opinion as to the weight or effect of the alleged newly discovered proof but granted leave to the District Court to consider the application. It is submitted that this Court should do likewise as the facts are very nearly identical.

**TESTIMONY TO BE INTRODUCED IS NOT MERELY
CUMULATIVE.**

Plaintiff Petitioner admits that generally a new trial will not be allowed where the purpose of the testimony is merely cumulative. However, it is submitted that "evidence is not merely cumulative, where it refers to facts not before agitated, though it may refer to defenses which, in the former trial, were based on other facts". *Walker on Patents*, Deller's Edition, p. 2059.

It is submitted that the testimony sought to be given is not merely cumulative. There is no other testimony in the record with respect to a fold line retaining means in Hotchkiss other than the testimony of Defendants' expert that there is no fold line retaining means in the prior art. The Circuit Court of Appeals had before it only the unconfirmed statement of Appellee's counsel, together with a copy of the Hotchkiss patent. While referring to the Hotchkiss patent, this Court stated:

"It is not at all clear from the specification of Hotchkiss that Appellant's contention is true or untrue."

This shows that the Hotchkiss specification, drawings and claims are difficult to understand and that they do not make clear whether or not a fold line retaining means is present, this by the Court's own admission. It is submitted that in view of the affidavit of Mr. Kercher, this Court should grant Petitioner's plea for right to introduce testimony with respect to the operation of the Hotchkiss machine.

A similar petition was granted in the case of *Hazel-tine Corporation v. Wildermuth*, supra. It will be recalled that Defendant Appellant moved for leave to reopen the proof after decree for Plaintiff was affirmed by the Circuit Court of Appeals, and Petitioner's Petition for Reargument had been denied, but before the Mandate had issued to the District Court. The Appellant sought to offer a physical exhibit which had been described in the evidence at the trial by a drawing. The Court expressed no opinion as to the weight or effect of the alleged newly discovered proof but granted leave to the District Court to consider the application. In the present instance the Court had before it only the admittedly vague specification concerning which no testimony was taken. This situation is similar to the *Hazel-tine* case, supra, as in that instance the party merely wished to introduce a device which had previously been introduced as a drawing and Appellant here requests permission to ask the District Court for a rehearing in order that testimony may be taken with respect to an operation of the machine shown in the Hotchkiss patent.

CONCLUSION.

In view of the importance which the Hotchkiss patent now assumes, and because of the state of the evidence, and in view of the Court's finding contrary to all of the testimony, and further in view of the foregoing affidavit of Arthur J. Kercher, it is respectfully submitted that this Petition for Leave to Present to the Trial Court a Petition for Rehearing should be granted.

Dated, San Francisco,
June 8, 1942.

Respectfully submitted,

PAUL D. FLEHR,

*Attorney for Appellant
and Petitioner.*

JOHN F. SWAIN,
Of Counsel.

